

**Louisiana Licensed  
Professional Counselors  
Board of Examiners**

Baton Rouge, Louisiana

Fiscal Year Ended June 30, 2021

*Agreed-Upon Procedures*

**William D. Mercer, CPA**  
A PROFESSIONAL ACCOUNTING CORPORATION

**William D. Mercer, APAC**  
CERTIFIED PUBLIC ACCOUNTANTS

WILLIAM D. MERCER, CPA (P.C.)

MEMBERS OF:  
AMERICAN INSTITUTE  
AND SOCIETY OF LOUISIANA  
CERTIFIED PUBLIC ACCOUNTANTS

INDEPENDENT ACCOUNTANT'S REPORT ON  
APPLYING AGREED-UPON PROCEDURES

To the Board of Directors of Louisiana Licensed Professional Counselors Board of Examiners  
and the Louisiana Legislative Auditor  
Baton Rouge, Louisiana

We have performed the procedures enumerated below related to the Louisiana Licensed Professional Counselors Board of Examiners' internal controls and compliance with certain laws and regulations for the fiscal period July 1, 2020 through June 30, 2021. Louisiana Licensed Professional Counselors Board of Examiners' management is responsible for its financial records and establishing internal controls to ensure accurate financial reporting, compliance with laws and regulations, and accountability over public funds.

The Louisiana Licensed Professional Counselors Board of Examiners has agreed to and acknowledged that the procedures performed are appropriate to meet the intended purpose of assisting users in understanding the controls that the Louisiana Licensed Professional Counselors Board of Examiners uses to ensure accurate financial reporting, compliance with laws and regulations, and accountability over public funds. Additionally, the Louisiana Legislative Auditor has agreed to and acknowledged that the procedures performed are appropriate for their purposes. This report may not be suitable for any other purpose. The procedures performed may not address all the items of interest to a user of this report and may not meet the needs of all users of this report and, as such, users are responsible for determining whether the procedures performed are appropriate for their purposes.

The procedures and associated findings are as follows:

***Written Policies and Procedures***

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1. Obtain and inspect the entity's written policies and procedures and observe that they address each of the following categories and subcategories, as applicable:
  - a) ***Budgeting***, including preparing, adopting, monitoring, and amending the budget.
  - b) ***Purchasing***, including (1) how purchases are initiated; (2) how vendors are added to the vendor list; (3) the preparation and approval process of purchase requisitions and purchase orders; (4) controls to ensure compliance with the public bid law or state purchasing rules and regulations, as applicable to the entity; and (5) documentation required to be maintained for all bids and price quotes.
  - c) ***Disbursements***, including processing, reviewing, and approving.
  - d) ***Receipts/Collections***, including receiving, recording, and preparing deposits. Also, policies and procedures should include management's actions to determine the completeness of all collections for each type of revenue (e.g. periodic confirmation with outside parties, reconciliation of receipt number sequences, reasonableness of cash collections based on licenses issued).

- e) **Payroll/Personnel**, including (1) payroll processing, and (2) reviewing and approving time and attendance records, including leave and overtime worked.
- f) **Contracting**, including (1) types of services requiring written contracts, (2) standard terms and conditions, (3) legal review, (4) approval process, and (5) monitoring process.
- g) **Credit Cards (and debit cards, fuel cards, P-Cards, if applicable)**, including (1) how cards are to be controlled, (2) allowable business uses, (3) documentation requirements, (4) required approvers of statements, and (5) monitoring card usage (e.g. determining the reasonableness of fuel card purchases).
- h) **Travel and expense reimbursement**, including (1) allowable expenses, (2) dollar thresholds by category of expense, (2) documentation requirements, (3) time-frame in which requests must be submitted and (4) required approvers
- i) **Ethics**, including (1) the prohibitions as defined in Louisiana Revised Statute (R.S.) 42:1111-1121, (2) actions to be taken if an ethics violation takes place, (3) system to monitor possible ethics violations, and (4) requirement that all employees annually attest through signature verification that they have read the entity's ethics policy.
- j) **Debt Service**, including (1) debt issuance approval, (2) continuing disclosure/EMMA reporting requirements, (3) debt reserve requirements, and (4) debt service requirements.
- k) **Disaster Recovery/Business Continuity**, including (1) identification of critical data and frequency of data backups, (2) storage of backups in a separate physical location isolated from the network, (3) periodic testing/verification that backups can be restored, (4) use of antivirus software on all systems, (5) timely application of all available system and software patches/updates, and (6) identification of personnel, processes, and tools needed to recover operations after a critical event.

*Written policies and procedures were obtained and inspected. No exceptions were noted.*

### ***Annual Fiscal Report (AFR)***

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2. Obtain the financial statements from the AFR submitted to the Division of Administration's (DOA) Office of Statewide Reporting and Accounting Policy for the current and prior periods. Perform analytical procedures comparing current and prior period amounts, by line item. Report any variances of 10% or greater for line items that are 10% or more of the respective total assets/deferred outflows of resources, liabilities/deferred inflows of resources, net position, revenues, or expenses, and management's explanation of the variance.

*Variances meeting the stated criteria, are as follows:*

- *Cash and equivalents increased by \$161,910 or 19.6%*
- *Investments decreased by \$97,011 or 12.6%*
- *Net OPEB obligation increased by \$29,895 or 25.3%*
- *Net pension liability increased by \$53,384 or 11.9%*
- *Net position increased by \$71,216 or 10.0%*
- *Operating revenues increased by \$86,372 or 12.0%*
- *Administrative expenses increased by \$104,680 or 16.6%*

### ***Board Meetings/Minutes***

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3. Obtain and inspect the board minutes for the fiscal period, as well as the board's enabling legislation, charter, bylaws, or equivalent document in effect during the fiscal period, and:
  - a) Observe that the board met with a quorum at least monthly, or on a frequency in accordance with the board's enabling legislation, charter, or other equivalent document.
  - b) Observe that the minutes referenced or included monthly budget-to-actual comparisons.
  - c) Access the entity's online information included in the DOA's boards and commissions database (<https://wwwcfprd.doa.louisiana.gov/boardsandcommissions/home.cfm>) and observe that the entity submitted board meeting minutes for all meetings during the fiscal period.

*The Board met six times during the period under examination. Board minutes for the period were obtained and inspected. The entity's board meeting minutes were not posted to the DOA database but were available on the entity's website.*

### ***Bank Reconciliations***

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4. Obtain a listing of bank accounts for the fiscal period from management and management's representation that the listing is complete. For each of the bank accounts in the listing provided by management, obtain bank statements and reconciliations for all months in the fiscal period and observe that:
  - a) Bank reconciliations include evidence that they were prepared within 2 months of the related statement closing date (e.g., initialed and dated, electronically logged);
  - b) Bank reconciliations include evidence that a member of management/board member who does not handle cash, post ledgers, or issue checks has reviewed each bank reconciliation (e.g., initialed and dated, electronically logged);
  - c) Management has documentation reflecting that it has researched reconciling items that have been outstanding for more than 6 months at the statement closing date; and
  - d) The reconciled balance for the final month of the fiscal period agrees to the general ledger.

*For the period under examination, the entity had two operating bank accounts and one money market account. Bank statements and reconciliations for all months during the fiscal year were obtained. Bank reconciliations are prepared by the Executive Director and subsequently e-mailed, along with the applicable bank statements and general ledger, to the outside accountant and the Board treasurer each month. No exceptions were noted.*

## *Receipts/Collections*

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5. Obtain and inspect written policies and procedures relating to employee job duties (if no written policies or procedures, inquire of employees about their job duties), and observe that job duties for collections are properly segregated such that:
  - a) Each employee responsible for collecting cash is not responsible for preparing/making bank deposits, unless another employee/official is responsible for reconciling collection documentation (e.g., pre-numbered receipts or license applications received) to the deposit.
  - b) Each employee responsible for collecting cash is not responsible for posting collection entries to the general ledger or subsidiary ledgers, unless another employee/official is responsible for reconciling ledger postings to each other and to the deposit.
  - c) The employee(s) responsible for reconciling cash collections to the general ledger and/or subsidiary ledgers, by revenue source are not responsible for collecting cash, unless another employee verifies the reconciliation.

*Written policies and procedures relating to receipts/collections were obtained. Most of the entity's collections are via electronic payments directly to its bank account. However, some payments are received via mail. Two employees are responsible for receiving and processing of such payments. No exceptions were noted.*

6. Inquire of management that all employees who have access to cash are covered by a bond or insurance policy for theft.

*The entity does not accept cash payments for license applications, renewals, or other payments; only checks and money orders are accepted via mailed payments, and credit and debit cards are accepted through electronic collections.*

7. Randomly select 5 deposit dates for each of the bank accounts (select the next deposit date chronologically if no deposits were made on the dates randomly selected and randomly select a deposit if multiple deposits are made on the same day). *Alternately, the practitioner may use a source document other than bank statements when selecting the deposit dates for testing, such as a cash collection log, daily revenue report, receipt book, etc.* Obtain supporting documentation for each of the 5 deposits for each bank account and:
  - a) Trace sequentially pre-numbered receipts, system reports, and other related collection documentation to the deposit slip.
  - b) Trace the deposit slip total to the actual deposit per the bank statement.
  - c) Observe that the deposit was made within one business day of collection (within one week if the depository is more than 10 miles from the collection location or the deposit is less than \$100).
  - d) Trace the actual deposit per the bank statement to the general ledger.

*Five dates during the fiscal year were randomly selected using an online random date generator. Each deposit selected was made via electronic payment, so no payment logs, receipts, or deposit slips were available. Deposits are recorded in the agency's general ledger in total for each month, so tracing of specific deposits to the general ledger was not possible. However, deposits per the monthly bank statements were traced to the general ledger with no exceptions for the dates selected. No exceptions were noted.*

8. Obtain and inspect written policies and procedures (if no written policies and procedures, inquire to management) and observe that there is a process performed to determine completeness of all collections, including electronic transfers, for each revenue source (e.g. periodic confirmation with outside parties, reconciliation of receipt number sequences, reasonableness of cash collections based on licenses issued) by a person who is not responsible for collections.

*Management regularly compares collections with expected results, consisting primarily of license applications and renewals.*

9. For licensing boards, obtain a list of initial and renewal licenses granted during the period from management and management's representation that the listing is complete. Randomly select 10 individual applicants from the listing and obtain the supporting documentation (e.g. application, copy of check) from management and:
  - a) Observe that the fee paid for license was the appropriate fee based on the applicable fee schedule established by the board or statute.
  - b) If a penalty was assessed (e.g. late fee), observe that the penalty was assessed and collected in accordance with the board's policies.

*Ten individual license applications and renewals were randomly selected for the period under examination. All applications and renewals were traced to the entity's online license database. No exceptions were noted.*

10. For levee districts, obtain independent confirmation of the tax amounts received from the appropriate parish Sheriff's offices. Observe that the confirmed amount agrees to the amount deposited by levee district.

*Not applicable*

***Non-Payroll Disbursements (excluding card purchases/payments, travel reimbursements, and petty cash purchases)***

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11. Obtain a listing of those employees involved with non-payroll purchasing and payment functions. Obtain written policies and procedures relating to employee job duties (if the agency has no written policies and procedures, inquire of employees about their job duties), and observe that job duties are properly segregated such that:
  - a) At least two employees are involved in initiating a purchase request, approving a purchase, and placing an order/making the purchase.
  - b) At least two employees are involved in processing and approving payments to vendors.
  - c) The employee responsible for processing payments is prohibited from adding/modifying vendor files, unless another employee is responsible for periodically reviewing changes to vendor files.
  - d) Either the employee/official responsible for signing checks mails the payment or gives the signed checks to an employee to mail who is not responsible for processing payments.

*Most of the entity's non-payroll disbursements as applicable to this procedure are initiated by the Executive Director, or by another staff member and approved by the Executive Director. Payments are processed and signed by the Executive Director.*

12. Obtain the entity's non-payroll disbursement transaction population (excluding cards and travel reimbursements which are addressed in separate sections below) and obtain management's representation that the population is complete. Randomly select 5 disbursements, obtain supporting documentation (e.g. purchase requisition, invoices, receipts, receiving slips) for each transaction and:
  - a) Observe that the disbursement matched the related original invoice/billing statement
  - b) Observe that the disbursement documentation included evidence (e.g. initial/date, electronic logging) of segregation of duties tested under #11, as applicable.

*Five non-payroll disbursements as defined above were randomly selected. For each of the five disbursements, an original invoice was obtained and examined. Two of the five disbursements examined were reviewed and approved by the Board secretary, but the remaining three disbursements did not indicate any evidence of review or approval.*

### **Credit Cards/Debit Cards/Fuel Cards/P-Cards**

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13. Obtain from management a listing of all active credit cards, bank debit cards, fuel cards, and P-cards (cards) for the fiscal period, including the card numbers and the names of the persons who maintained possession of the cards. Obtain management's representation that the listing is complete. Randomly select 2 monthly statements or combined statements for each card (for a debit card, randomly select 2 monthly bank statements), obtain supporting documentation, and:
  - a) Observe that there is evidence that the monthly statement or combined statement and supporting documentation (e.g. original receipts for credit/debit card purchases, exception reports for excessive fuel card usage) was reviewed and approved, in writing (or electronically approved), by someone other than the authorized card holder.
  - b) Observe that finance charges and late fees were not assessed on the selected statements.

*For the period under examination, the entity did not utilize any credit or debit cards.*

14. Obtain supporting documentation for all transactions included on the monthly statements or combined statements selected in #13 above. For each transaction, observe that it is supported by (1) an original itemized receipt that identifies precisely what was purchased, (2) written documentation of the business/public purpose, and (3) documentation of the individuals participating in meals (for meal charges only). For missing receipts, the practitioner should describe the nature of the transaction and note whether management had a compensating control to address missing receipts, such as a "missing receipt statement" that is subject to increased scrutiny.

*For the period under examination, the entity did not utilize any credit or debit cards.*

### ***Travel and Travel-Related Expense Reimbursements (excluding card transactions)***

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15. Obtain from management a listing of all travel and travel-related expense reimbursements paid to employees and board members during the fiscal period and management's representation that the listing or general ledger is complete. Randomly select 5 reimbursements, obtain the related expense reimbursement forms/prepaid expense documentation of each selected reimbursement, as well as the supporting documentation. For each of the 5 reimbursements selected:
- a) If reimbursed using a per diem, agree the reimbursement rate to those rates established either by the State of Louisiana in PPM49 (<https://www.doa.la.gov/pages/osp/travel/TravelPolicy.aspx>) or the U.S. General Services Administration ([www.gsa.gov](http://www.gsa.gov)).
  - b) If reimbursed using actual costs, observe that the reimbursement is supported by an original itemized receipt that identifies precisely what was purchased.
  - c) Observe that each reimbursement is supported by documentation of the business/public purpose (for meal charges, observe that the documentation includes the names of those individuals participating) and other documentation required by written policy (procedure #1h).
  - d) Observe that each reimbursement was reviewed and approved, in writing, by someone other than the person receiving reimbursement.

*Five disbursements for travel or travel-related expense reimbursements were randomly selected and supporting documentation for each disbursement was examined. No exceptions were noted.*

### ***Contracts***

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16. Obtain from management a listing of all agreements/contracts for professional services, materials and supplies, leases, and construction activities that were initiated or renewed during the fiscal period. *Alternately, the practitioner may use an equivalent selection source, such as an active vendor list.* Obtain management's representation that the listing is complete. Randomly select 5 contracts (or all contracts if less than 5) from the listing, excluding the practitioner's contract, and:
- a) Observe that the contract was bid in accordance with the Louisiana Procurement Code or the Louisiana Public Bid Law (e.g., solicited quotes or bids, advertised), if required by law.
  - b) Observe that the contract was approved by the governing body/board, if required by policy.
  - c) If the contract was amended (e.g., change order), observe that the original contract terms provided for such an amendment.
  - d) Randomly select one payment from the fiscal period for each of the 5 contracts, obtain the supporting invoice, agree the invoice to the contract terms, and observe that the invoice and related payment agreed to the terms and conditions of the contract.

*For the period under examination, five contracts as defined above were randomly selected. A written contract for website maintenance services was not provided. These services are provided on an as-needed basis by the vendor. Each of the remaining contracts were approved by the governing board as required. None of the contracts were amended during the fiscal year. One payment under each contract was randomly selected as noted. No exceptions were noted.*



## *Payroll and Personnel*

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17. Obtain a listing of employees employed during the fiscal period, and management's representation that the listing is complete. Randomly select 5 employees (or select all employees if less than 5), obtain related paid salaries and personnel files, and agree paid salaries to authorized salaries/pay rates in the personnel files.

*Compensation for each of the employees selected was traced to authorized pay rates as documented in their personnel files. No exceptions were noted.*

18. Randomly select 2 pay periods during the fiscal period. For the employees selected under #17 above, obtain attendance records and leave documentation for the pay period, and:
- a) Observe that all selected employees documented their daily attendance and leave (e.g., vacation, sick, compensatory).
  - b) Observe that supervisors approved the attendance and leave of the selected employees.
  - c) Observe that any leave accrued or taken during the pay period is reflected in the entity's cumulative leave records.

*For each of the two pay periods selected, time sheets were provided for each employee. Time sheets for staff employees were approved by the Executive Director. Leave accrued or taken during the pay periods were calculated and tracked by the agency's outside payroll service provider. No exceptions were noted.*

19. Obtain a listing of those employees that received termination payments during the fiscal period and management's representation that the list is complete. Randomly select 2 employees, obtain related documentation of the hours and pay rates used in management's termination payment calculations, agree the hours to the employees' cumulative leave records, and agree the pay rates to the employees' authorized pay rates in the employees' personnel files.

*For the period of examination, the only employee who resigned was an hourly part-time employee who was not eligible for accrued leave.*

20. Obtain management's representation that employer and employee portions of payroll taxes, retirement contributions, health insurance premiums, and workers' compensation premiums have been paid, and associated forms have been filed, by required deadlines.

*Obtained management's representation that all applicable payroll taxes, retirement contributions, health insurance premiums, and workers' compensation premiums were paid and all applicable tax returns have been filed as required.*

## ***Ethics***

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21. Using the 5 randomly selected employees from procedure #17 under “Payroll and Personnel” above: obtain ethics documentation from management, and:
- a) Observe that the documentation demonstrates each employee completed one hour of ethics training during the fiscal period.
  - b) Observe that the documentation demonstrates each employee attested through signature verification that he or she has read the entity’s ethics policy during the fiscal period.

*Ethics documentation for all selected employees was obtained and examined. No exceptions were noted.*

22. Obtain a listing of board members from management. Randomly select 5 board members and observe documentation to demonstrate that required annual ethics training was completed.

*Ethics documentation for each randomly selected Board member was obtained. No exceptions were noted.*

## ***Budget***

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23. Obtain a copy of the legally adopted budget, including all amendments, and the board minutes. Observe the minutes contain approval of the budget and amendments.

*The adopted budget was obtained. Budget amendments were made and accepted at the November 20, 2020, board meeting and noted in the applicable Board minutes. Adoption and approval of the budget was noted in applicable Board minutes. No exceptions were noted.*

24. Compare the total revenues and total expenditures of the final budget to actual total revenues and total expenditures on the financial statements or AFR. Report variances of 10% or greater.

*Total revenues and total expenditures of the final budget were compared to total revenues and total expenses on the entity’s financial records. Budgeted revenues were \$712,732 and actual revenues were \$828,908, a difference of \$116,176 or 16.3%.*

25. Inquire of management whether the entity has updated its budget information in the DOA’s boards and commissions database referred to in #3 above for the current fiscal period (i.e. period covered in these procedures). Access the online database and obtain the budget information for the current fiscal period. Observe that the budget information contained in the database agrees to the budget adopted by the entity’s board.

*Information contained in the entity’s adopted budget was traced to the DOA boards and commissions database for the period under examination. No exception was noted.*

## ***Debt Service***

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26. Obtain a listing of bonds/notes issued during the fiscal period and management's representation that the listing is complete. Select all bonds/notes on the listing, obtain supporting documentation, and observe that State Bond Commission approval was obtained for each bond/note issued.

*No bonds or notes were issued or outstanding for the period under examination.*

27. Obtain a listing of bonds/notes outstanding at the end of the fiscal period and management's representation that the listing is complete. Randomly select one bond/note, inspect debt covenants, obtain supporting documentation for the reserve balance and payments, and agree actual reserve balances and payments to those required by debt covenants (including contingency funds, short-lived asset funds, or other funds required by the debt covenants).

*No bonds or notes were issued or outstanding for the period under examination.*

## ***Sexual Harassment***

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28. Obtain and inspect the entity's written sexual harassment policies and procedures and observe that they address all requirements of R.S. 42:342-344, including agency responsibilities and prohibitions; annual employee training; and annual reporting requirements.

*The entity's written policies and procedures did not include policies and procedures related to sexual harassment. However, the entity has posted such policies and procedures on its website (see procedure 30, below).*

29. Obtain a listing of employees/board members employed during the fiscal period and management's representation that the listing is complete. Randomly select 5 employees/board members, obtain sexual harassment training documentation from management, and observe that the documentation demonstrates each employee/board member completed at least one hour of sexual harassment training during the calendar year.

*For the period under examination, all selected employees and board members received the required sexual harassment training.*

30. Observe that the entity has posted its sexual harassment policy and complaint procedure on its website (or in a conspicuous location on the entity's premises if the entity does not have a website).

*The entity's website was examined, and the sexual harassment policy and complaint procedure was observed.*

31. Obtain the entity's annual sexual harassment report for the current fiscal period, observe that the report was dated on or before February 1, and observe that it includes the applicable requirements of R.S. 42:344.

*The entity's sexual harassment report was obtained and examined. No exception was noted.*

## ***Other***

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32. Obtain a listing of misappropriations of public funds and assets during the fiscal period and management's representation that the listing is complete. Select all misappropriations on the listing, obtain supporting documentation, and observe that the entity reported the misappropriation(s) to the legislative auditor and the district attorney of the parish in which the entity is domiciled.

*No misappropriations of public funds or assets were known or noted by management for the period under examination.*

33. Observe that the entity has posted on its premises and website, the notice required by R.S. 24:523.1 concerning the reporting of misappropriation, fraud, waste, or abuse of public funds. This notice is available for download or print at [www.la.gov/hotline](http://www.la.gov/hotline).

*The required notice was observed on the entity's premises and its website.*

## ***Corrective Action***

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34. Obtain management's response and corrective action plan for any exceptions noted in the above agreed-upon procedures.

*Management's responses to the exceptions noted above are included as an attachment to this report.*

We were engaged by the Louisiana Licensed Professional Counselors Board of Examiners to perform this agreed-upon procedures engagement and conducted our engagement in accordance with attestation standards established by the American Institute of Certified Public Accountants and applicable standards of *Government Auditing Standards*. An agreed-upon procedures engagement involves the practitioner performing specific procedures that the engaging party has agreed to and acknowledged to be appropriate for the intended purpose of the engagement and reporting findings based on the procedures performed. We were not engaged to and did not conduct an examination or review engagement, the objective of which would be the expression of an opinion or conclusion, respectively, on the Louisiana Licensed Professional Counselors Board of Examiners' internal controls compliance with laws and regulations. Accordingly, we do not express such an opinion or conclusion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

We are required to be independent of the Louisiana Licensed Professional Counselors Board of Examiners and to meet our ethical responsibilities, in accordance with the relevant ethical requirements related to our agreed-upon procedures engagement.

This report is intended solely for the information and use of the Louisiana Legislative Auditor and the Louisiana Licensed Professional Counselors Board of Examiners, and is not intended to be, and should not be, used by anyone other than these specified parties. Under R.S. 24:513, this report is distributed by the Louisiana Legislative Auditor as a public document.

*William D Mercer CPA (APAC)*

Baton Rouge, Louisiana  
April 27, 2022

LOUISIANA LICENSED PROFESSIONAL COUNSELORS BOARD OF EXAMINERS

SCHEDULE OF PRIOR YEAR EXCEPTIONS

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Exceptions noted for the prior year ended June 30, 2020, in the accountant's agreed-upon procedures report dated October 13, 2020, were as follows:

**Budget**

Budgeted revenues totaled \$626,180 and actual revenues totaled \$769,734, a difference of \$143,554 or 22.9%. Budgeted expenses totaled \$767,215 and actual expenses totaled \$605,109, a difference of \$162,106 or 21.1%.

**Sexual harassment**

The required annual sexual harassment report was not prepared or submitted as required.



# LOUISIANA

## Licensed Professional Counselors Board of Examiners

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April 27, 2022

William D. Mercer, CPA  
13360 Coursey Blvd, Suite A  
Baton Rouge, LA 70816

**Re: Response to findings**

Dear Mr. Mercer,

Thank you for the opportunity for the Louisiana Licensed Professional Counselors Board of Examiners (hereinafter "Board") to provide an official response to your office's findings. On behalf of the Board, I can confirm that we accept and concur with your findings.

Firstly, I would like to address the differences in the Annual Financial Report from the Fiscal Year 19/20 to Fiscal Year 20/21. Cash increased due to a decrease in investments and revenues exceeding expenses during the year. Investments decreased due to some certificates of deposit being converted back to operating cash. Net OPEB obligation increased primarily due to increases in the Board's proportionate share of the OPEB liability. Net pension liability increased primarily due to changes in the difference between expected and actual returns on pension assets. Operating expenses increased primarily due to an increase in the billboard advertising campaign.

In regard to the differences in the budget and the AFR year over year, the net position and operating revenues increased due to increases in verification of license requests and increases in expedited and LPC applications.

Finally, the non-payroll disbursements will be reviewed and approved by the board chair if the board secretary is absent or unavailable for consultation.

Respectfully,

Jamie S. Doming  
Executive Director

Cc: Licensed Professional Counselors, Board Chair, Dr. Roy A. Salgado, Jr.